

Senate Education Committee

Amendment No. 1 to SB2137

McNally
Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 2137*

House Bill No. 2119

by deleting Sections 1 and 2 of the printed bill and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-8-104, is amended by adding the following new subsection:

(d) Notwithstanding any provision of this title or any other law to the contrary, no gift tax shall be imposed on any contribution to a qualified tuition program as defined in Section 529 of the Internal Revenue Code of 1986, as amended, on behalf of any beneficiary to the extent such contribution is exempt from federal gift taxation. The exemption herein contained shall not be construed to limit the exemption currently provided under § 49-7-822 for contributions made to or on behalf of a beneficiary under title 49, chapter 7, part 8. Contributions made to or on behalf of beneficiaries under title 49, chapter 7, part 8 are exempt from all taxation under this title by the provisions of § 49-7-822.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it, and shall apply to tax years beginning on or after January 1, 2002, the public welfare requiring it.